

be sorely missed. He was a gentleman, an honorable person, and he loved this body when he served here, and he will be well remembered as Governor of the State of Louisiana.

Mr. SCALISE. Madam Speaker, I ask that the House observe a moment of silence in honor of Dave Treen and his family.

The SPEAKER pro tempore. Members will rise. The House will observe a moment of silence.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Without objection, 5-minute voting will continue.

There was no objection.

RECOGNIZING HISPANIC HERITAGE MONTH

The SPEAKER pro tempore. The unfinished business is the vote on the motion to suspend the rules and agree to the resolution, H. Res. 783, on which the yeas and nays were ordered.

The Clerk read the title of the resolution.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Massachusetts (Mr. LYNCH) that the House suspend the rules and agree to the resolution, H. Res. 783.

This will be a 5-minute vote.

The vote was taken by electronic device, and there were—yeas 423, nays 0, not voting 9, as follows:

[Roll No. 827]

YEAS—423

Abercrombie	Brady (TX)	Costa
Ackerman	Braley (IA)	Costello
Aderholt	Bright	Courtney
Adler (NJ)	Broun (GA)	Crenshaw
Akin	Brown (SC)	Crowley
Alexander	Brown, Corrine	Cuellar
Altmire	Brown-Waite,	Culberson
Andrews	Ginny	Cummings
Arcuri	Buchanan	Dahlkemper
Austria	Burgess	Davis (AL)
Baca	Burton (IN)	Davis (CA)
Bachmann	Butterfield	Davis (IL)
Bachus	Calvert	Davis (KY)
Baird	Camp	Davis (TN)
Baldwin	Campbell	Deal (GA)
Barrow	Cantor	DeFazio
Bartlett	Cao	DeGette
Barton (TX)	Capito	Delahunt
Bean	Capps	DeLauro
Becerra	Capuano	Dent
Berkley	Cardoza	Diaz-Balart, L.
Berman	Carnahan	Diaz-Balart, M.
Berry	Carney	Dicks
Biggert	Carson (IN)	Dingell
Bilbray	Carter	Doggett
Billirakis	Cassidy	Donnelly (IN)
Bishop (GA)	Castle	Doyle
Bishop (NY)	Castor (FL)	Dreier
Bishop (UT)	Chaffetz	Driehaus
Blackburn	Chandler	Duncan
Blumenauer	Childers	Edwards (MD)
Blunt	Chu	Edwards (TX)
Boccieri	Clarke	Ehlers
Boehner	Clay	Ellison
Bonner	Cleaver	Ellsworth
Bono Mack	Clyburn	Emerson
Boozman	Coble	Engel
Boren	Cohen	Eshoo
Boswell	Cole	Etheridge
Boucher	Conaway	Fallin
Boustany	Connolly (VA)	Farr
Boyd	Conyers	Fattah
Brady (PA)	Cooper	Filner

Flake	Lipinski	Rodriguez
Fleming	LoBiondo	Roe (TN)
Forbes	Loebback	Rogers (AL)
Fortenberry	Lofgren, Zoe	Rogers (KY)
Foster	Lowey	Rogers (MI)
Fox	Lucas	Rohrabacher
Frank (MA)	Luetkemeyer	Rooney
Franks (AZ)	Luján	Ros-Lehtinen
Frelinghuysen	Lummis	Roskam
Fudge	Lungren, Daniel	Ross
Galleghy	E.	Rothman (NJ)
Garrett (NJ)	Lynch	Roybal-Allard
Gerlach	Mack	Royce
Giffords	Maffei	Ruppersberger
Gingrey (GA)	Maloney	Rush
Gohmert	Manzullo	Ryan (OH)
Gonzalez	Marchant	Ryan (WI)
Goodlatte	Markey (CO)	Salazar
Gordon (TN)	Markey (MA)	Sánchez, Linda
Granger	Marshall	T.
Graves	Massa	Sanchez, Loretta
Grayson	Matheson	Sarbanes
Green, Al	Matsui	Scalise
Green, Gene	McCarthy (CA)	Schakowsky
Griffith	McCarthy (NY)	Schauer
Grijalva	McCaul	Schiff
Guthrie	McClintock	Schmidt
Hall (NY)	McCollum	Schock
Hall (TX)	McCotter	Schrader
Halvorson	McDermott	Schwartz
Hare	McGovern	Scott (GA)
Harman	McHenry	Scott (VA)
Harper	McIntyre	Sensenbrenner
Hastings (FL)	McKeon	Serrano
Hastings (WA)	McMahon	Sessions
Heinrich	McMorris	Sestak
Heller	Rodgers	Shadeegg
Hensarling	McNerney	Shea-Porter
Herger	Meek (FL)	Sherman
Hereth Sandlin	Meeks (NY)	Shimkus
Higgins	Melancon	Shuler
Hill	Mica	Shuster
Himes	Michaud	Simpson
Hinche	Miller (FL)	Sires
Hinojosa	Miller (MI)	Skelton
Hirono	Miller (NC)	Slaughter
Hodes	Miller, Gary	Smith (NE)
Hoekstra	Miller, George	Smith (NJ)
Holden	Minnick	Smith (TX)
Holt	Mitchell	Smith (WA)
Honda	Mollohan	Snyder
Hoyer	Moore (KS)	Souder
Hunter	Moore (WI)	Space
Inglis	Moran (KS)	Speier
Inslee	Moran (VA)	Stark
Israel	Murphy (CT)	Stearns
Issa	Murphy (NY)	Stupak
Jackson (IL)	Murtha	Sullivan
Jackson-Lee	Myrick	Sutton
(TX)	Nadler (NY)	Tanner
Jenkins	Napolitano	Taylor
Johnson (IL)	Neal (MA)	Teague
Johnson, E. B.	Neugebauer	Terry
Johnson, Sam	Nye	Thompson (CA)
Jones	Oberstar	Thompson (MS)
Jordan (OH)	Obey	Thompson (PA)
Kagen	Olson	Thornberry
Kanjorski	Olver	Tiahrt
Kaptur	Ortiz	Tiberi
Kennedy	Pallone	Tierney
Kildee	Pascrell	Titus
Kilpatrick (MI)	Pastor (AZ)	Tonko
Kilroy	Paul	Towns
Kind	Paulsen	Tsongas
King (IA)	Payne	Turner
King (NY)	Pence	Upton
Kingston	Perlmutter	Van Hollen
Kirk	Perriello	Velázquez
Kirkpatrick (AZ)	Peters	Visclosky
Kissell	Peterson	Walden
Klein (FL)	Petri	Walz
Kline (MN)	Pingree (ME)	Wamp
Kosmas	Pitts	Wasserman
Kratovil	Platts	Schultz
Kucinich	Poe (TX)	Waters
Lamborn	Polis (CO)	Watson
Lance	Pomeroy	Watt
Langevin	Posey	Waxman
Larsen (WA)	Price (GA)	Weiner
Larson (NC)	Price (NC)	Welch
Latham	Putnam	Westmoreland
LaTourette	Quigley	Wexler
Latta	Radanovich	Whitfield
Lee (CA)	Rahall	Wilson (OH)
Lee (NY)	Rangel	Wilson (SC)
Levin	Rehberg	Wittman
Lewis (CA)	Reichert	
Lewis (GA)	Reyes	
Linder	Richardson	

Wolf	Wu	Young (AK)
Woolsey	Yarmuth	Young (FL)

NOT VOTING—9

Barrett (SC)	Gutierrez	Murphy, Tim
Buyer	Johnson (GA)	Nunes
Coffman (CO)	Murphy, Patrick	Spratt

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). Two minutes remain on this vote.

□ 1350

So (two-thirds being in the affirmative) the rules were suspended and the resolution was agreed to.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

PROVIDING FOR CONSIDERATION OF H.R. 3854, SMALL BUSINESS FINANCING AND INVESTMENT ACT OF 2009

Ms. PINGREE of Maine. Madam Speaker, by direction of the Committee on Rules, I call up House Resolution 875 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 875

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 2(b) of rule XVIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 3854) to amend the Small Business Act and the Small Business Investment Act of 1958 to improve programs providing access to capital under such Acts, and for other purposes. The first reading of the bill shall be dispensed with. All points of order against consideration of the bill are waived except those arising under clause 9 or 10 of rule XXI. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chair and ranking minority member of the Committee on Small Business. After general debate the bill shall be considered for amendment under the five-minute rule. The amendment printed in part A of the report of the Committee on Rules accompanying this resolution shall be considered as adopted in the House and in the Committee of the Whole. The bill, as amended, shall be considered as the original bill for the purpose of further amendment under the five-minute rule and shall be considered as read. All points of order against provisions in the bill, as amended, are waived. Notwithstanding clause 11 of rule XVIII, no further amendment to the bill, as amended, shall be in order except the amendments printed in part B of the report of the Committee on Rules. Each such amendment may be offered only in the order printed in the report, may be offered only by a Member designated in the report, shall be considered as read, shall be debatable for the time specified in the report equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question. All points of order against such amendments are waived except those arising under clause 9 or 10 of rule XXI. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill, as amended, to the House with such further amendments as may have been adopted. In

the case of sundry further amendments reported from the Committee, the question of their adoption shall be put to the House en gros and without division of the question. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

SEC. 2. The Chair may entertain a motion that the Committee rise only if offered by the chair of the Committee on Small Business or her designee. The Chair may not entertain a motion to strike out the enacting words of the bill (as described in clause 9 of rule XVIII).

SEC. 3. It shall be in order at any time through the legislative day of October 30, 2009, for the Speaker to entertain motions that the House suspend the rules relating to a measure addressing unemployment compensation.

The SPEAKER pro tempore. The gentlewoman from Maine is recognized for 1 hour.

Ms. PINGREE of Maine. Madam Speaker, for the purpose of debate only, I yield the customary 30 minutes to the gentleman from Texas (Mr. SESSIONS). All time yielded during consideration of the rule is for debate only.

GENERAL LEAVE

Ms. PINGREE of Maine. I ask unanimous consent that all Members be given 5 legislative days in which to revise and extend their remarks and include extraneous remarks on H. Res. 875.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Maine?

There was no objection.

Ms. PINGREE of Maine. I yield myself such time as I may consume.

Madam Speaker, H. Res. 875 provides for consideration of H.R. 3854, the Small Business Financing and Investment Act of 2009, under a structured rule. The rule self-executes an amendment that removes direct spending from the bill, thereby making the underlying bill PAYGO compliant. The bill makes in order 16 amendments printed in the Rules Committee report. The amendments are debatable for 10 minutes each, except for the manager's amendment which is debatable for 20 minutes.

Additionally, the rule provides authority for the Speaker to entertain motions to suspend the rules through Friday of this week for a measure addressing unemployment compensation.

Madam Speaker, today we will pass a very important piece of legislation that will directly help small businesses from around our country. H.R. 3854, the Small Business Financing and Investment Act of 2009, increases the loan limits available for small businesses through the SBA; it promotes increased private investment in small businesses; it provides increased resources for businesses working in the field of renewable energy; and it supports our veterans returning from Iraq and Afghanistan seeking the capital they need to start or to grow their businesses.

What this bill does beyond anything else is provide much-needed support for

Main Street to help small entrepreneurs grow, save, and create jobs. As President Obama said last week, supporting small businesses needs to be our highest priority because when small businesses are succeeding, America succeeds.

When I return to my home State of Maine, I hear from small businesses week after week that access to capital is one of the most difficult challenges that they face. The credit market has been drying up, and small businesses have been hit hard.

Earlier this year, my office hosted an event focused specifically on connecting small businesses with capital, including SBA programs. The response was overwhelming. We had hundreds of small businesses RSVP to attend, so many that we needed to reserve an overflow room to accommodate the demand. These were businesses of all types and sizes, and many of them had driven hours to come to the workshop. They came to this meeting because they felt they had nowhere else to turn.

SBA programs have been an important resource for businesses during this economic downturn, and this bill will take important steps to increase access to and the success of these programs. I want to take a minute to give you a couple of examples from my State of how SBA loans are working to support small businesses.

A company named ALCOM was established by Tom Sturtevant and his stepson, Trapper Clark, in 2006 and is one of the largest manufacturers of aluminum trailers in the northeast. With an SBA loan under the 504 program, this business was able to construct a new, 70,000-square foot manufacturing facility with much-needed space for expansion while enhancing the flow of inventory, and they were able to hire 15 new workers. This is a family-owned business with good-paying manufacturing jobs that has been able not only to survive in the current economic climate, but grow thanks to an SBA loan.

Julia McClure opened Sweets & Meats, a market in Rockland, Maine, earlier this year, thanks to financing she received through the SBA's 7(a) program. Women-owned enterprises is the fastest growing business group, and this grocery store, specializing in local meats and produce, is a great example of how the SBA has worked to support these entrepreneurs.

Casco Bay Molding in Sanford, Maine, is an injection molding company founded by Andy Powell. After working to develop a customer relationship with Flotation Technologies, another Maine-based company and a world leader in buoyancy systems, these two companies worked to design and implement a new line of proprietary, deepwater oil and gas exploration and harvesting equipment.

This new demand meant that Casco Bay Molding needed to upgrade to compete with much larger molding shops in the region. With a loan under the SBA

504 program, this small business was able to upgrade their equipment, meet the demand, and employ five additional people in their community in good-paying manufacturing jobs. Furthermore, by helping Casco Bay Molding to succeed and grow, this loan supported other local businesses, like Fiber Materials, providing them the benefits of an expert injection molding operation within close proximity to their manufacturing facility.

□ 1400

This is a great example of the exponential impact that investment in small businesses has in all of our communities, one that expands small businesses, creates new, good-paying jobs, rewards ingenuity, and supports Main Street through this economic downturn.

The problem is there are not enough of these success stories. Small businesses are desperate for credit to expand and grow, and SBA programs, as they currently stand, simply cannot meet this demand. That is why this bill is so important. It will expand and develop these vital programs, including the 7(a) and 504 programs, to better meet the needs of all small businesses.

Mr. Speaker, all across this country, small businesses have struggled during these difficult times through no fault of their own. They didn't cause this economic crisis, but they can help to lead us out of it, and we have to help them access the funding they need to survive, grow and to expand their businesses. The jobs they create today will bring economic growth and prosperity to our communities tomorrow if we just give them the chance.

I urge my colleagues to support this bill today and the underlying bill. As Rumery's Boatyard, another SBA loan recipient from Maine told me, it is imperative that we support our small businesses and ensure that they are ready to go once the economy fully recovers.

I reserve the balance of my time.

Mr. SESSIONS. Mr. Speaker, I appreciate the gentlewoman yielding me the time. I yield myself such time as I may consume.

Mr. Speaker, we've just heard our good friends from the Democratic Party talk about wanting to support small business. I think it's interesting that today this bill is all about making sure the government has money available to loan to small business because we want them to be successful, and yet this committee and this Congress, under the Democrat leadership, ignores the leading four or five different items that small business would say they need the most to be successful to grow, to expand, to continue employment, which is the backbone of the economy.

High taxes, depreciation—this next week the biggest killer of them all, after we pass this bill, the health care bill is going to come on the floor which will kill small business. President Obama's own numbers say 4.7 million

jobs will be lost with the health care bill. It will tax small business. It will bring enormous rules and regulations, and yet here we are, talking about wanting to help small business today. If you really want to help, first of all, you ought to get out of the way; secondly, don't pass rules, regulation, laws, taxation that diminish small business.

So, with that said, I am delighted to be on the floor to talk about this Small Business Financing and Investment Act. In the Rules Committee, it was plain and simple that not allowing an open rule this year is where we continue. There is plenty of time for my friends on the other side of the aisle to allow for an open rule today to discuss the 42 amendments that were offered in the Rules Committee, of which only 16 were made in order.

I offered an amendment to the Rules Committee last night that was voted down by my Democrat colleagues. My amendment would have benefited small businesses by allowing them to choose the asset depreciation schedule that best suits their individual businesses. Today we have a depreciation schedule that is entirely formulated by the government, to the detriment of the free enterprise system and small businesses. The current system of asset depreciation inhibits economic growth. That's right. It forces companies to depreciate their assets over an arbitrary period of time. It competes against business, and certainly small business, by making sure the government gets their money first. Congress needs to create incentives for American businesses to reinvest in their companies, buy new equipment and hire more workers, not the opposite.

Small business employs about half of all Americans, and they are critical to our economic growth. But tax policies out of Washington by this Democratic Congress are making it harder and harder for them to do business. Also add in rules, regulations and a political agenda that will lose a net 10 million American jobs, most of them small business, just with the three biggest political agenda items that the Democratic Party has, 10 million American jobs lost, and that's the political agenda.

If this Democrat majority really wants to help small businesses, they would have allowed some commonsense amendments to come forth to the floor, by the way, amendments that small businesses ask for the most. I plan on using this opportunity to talk about our economy, the Nation's diminishing job numbers, the future of government mandates, and tax increases that will continue to stifle our economy and cut U.S. jobs. This is the Democratic Party's agenda, to kill the free enterprise system in America, and the starting blow is these three major political agendas that will lose a net 10 million American jobs.

Mr. Speaker, the Obama administration promised Americans that if Con-

gress passed the stimulus package, that unemployment would not go above 8 percent, that it would create and save millions of jobs. Here we are 9 months later with a record 9.7 percent unemployment rate, the highest in 26 years, and more than 2 million Americans have lost their jobs since the stimulus package of \$1.2 trillion.

What do we see from the White House? Lavish parties, trips to New York, just a whole lot of fun, everything but this President focusing on what any economist would say will create jobs in this country, what will keep the jobs that we have in this country. So my colleagues on the Democratic side continue to push their agenda that increases costs, increases taxes for individuals, while shrinking our Nation's workforce.

By the way, the Nation's workforce is called American jobs. By the way, those evil corporations that our friends, the Democrats, are after are called employers. Let's just put them at bay, and you will see no job employment.

In June, my friends on the other side of the aisle passed a cap-and-trade, or what is commonly called cap-and-tax, bill that will raise prices on energy, raise prices on goods, raise prices on services for every single hardworking American in this country. In my home State of Texas, the average household can now expect to spend more than \$1,100 extra a year if this bill passes as a result of this legislation, and this legislation could diminish over 1.38 million manufacturing jobs.

In my book, manufacturing is small business. Just today congressional Democrats had a great big press conference that looked more like a victory lap to me, thinking that they're going to pass this bill that was 1,990 pages, a sweeping health care bill that effectively will continue to shrink the employer base. It will shrink the employer-based insurance market and force 114 million people into an unsustainable government-run program, a program where government bureaucrats will be choosing what doctors a patient can see and, further, what procedures will be paid for for that doctor.

This trillion-dollar package also raises taxes on individuals, it raises taxes on small businesses that do not participate in the government plan, and up to \$800 billion will be spent, according to a model developed by the President's own economic adviser, and it will diminish between 4.7 and 5.5 million more American jobs, using the President's own figures. Most of those will come from small business.

Well, hold it. I thought we were here to help small business today. But don't worry, next week we'll go ahead and pass a bill that will diminish between 4.7 and 5.5 million more American jobs. No wonder the American public can't figure out what's going on in Washington. One week we're saying, We're trying to help you, and the next week,

I'm sorry about that, but somebody else's job is more important than yours.

Earlier this month, the Treasury Department reported that the Federal budget deficit reached a record \$1.1417 trillion during the month of September. The Treasury Department also reported that the national debt reached \$11.9 trillion. This means that since 2007, the Obama administration and this Democrat Congress have increased the Federal deficit by over \$1.25 trillion and increased the national debt by over \$3 trillion. When will it stop? No wonder we're losing small business jobs. No wonder we're losing American jobs. No wonder the American people are saying, What is going on in Washington, D.C.?

The Democratic majority is taxing, spending with more rules and regulations, and the jobs—let's get this right—are leaving. They're leaving this country, and they're going somewhere else. We aren't just losing the jobs. They're going somewhere else. We've asked this administration, we've asked this Democrat majority, Where are the jobs? Where are the jobs you promised? We've spent a lot of money. Where are the jobs?

In closing, Mr. Speaker, this legislation—yeah, I would offer some assistance to small business, but I believe there are more effective ways to assist them during the economic crisis. For instance, not growing the size of government just to give them, small business, a loan. We should be doing things to improve small business by expensing, by permanently repealing the death tax, by extending tax relief, by improving regulatory reform, by not adding a cap-and-trade bill, and by golly, for sure not next week trying out and then passing a health care bill which will diminish American jobs.

Mr. Speaker, we have a lot to say. There is a lot of time today, but what we want is for the American people to become engaged in what's going on in Washington, and I think they're watching.

I will be asking for a "no" vote on the previous question, a "no" vote on the rule.

I reserve the balance of my time.

Ms. PINGREE of Maine. Mr. Speaker, before I yield to one of my colleagues, I do want to point out that while my good colleague from Texas (Mr. SESSIONS) has indeed stated many issues of concern to small businesses, that the amendment he proposed in the Rules Committee was nongermane and also violated the PAYGO rule. I suspect that's why my colleagues on the Democratic side voted against that particular amendment.

Mr. Speaker, I yield 1½ minutes to the gentleman from California (Mr. COSTA).

Mr. COSTA. Mr. Speaker, I rise on the rule to support the underlying bill, H.R. 3854, the Small Business Financing and Investment Act of 2009. This is an important piece of legislation that

will provide our country's small businesses with additional tools that they need during these uncertain economic times.

I'm particularly pleased that the Rules Committee adopted an amendment that I authored and included it in Chairwoman VELÁZQUEZ' manager's amendment. I want to thank her and commend her for her hard work on this important piece of legislation.

The amendment that has been included gives priority to small businesses applying for stabilization loans in cities that have been hit especially hard by high levels of unemployment. For cities in my district and in the San Joaquin Valley, like Delano, Firebaugh and Mendota, that have over 30 percent unemployment, this will be an additional help for the struggling small businesses in those communities. But in communities throughout the country that are experiencing high, above-average unemployment levels, it will of course be very helpful.

Overall, the legislation helps facilitate small businesses by lending, by bolstering vital programs within the SBA, the Small Business Administration. It also encourages small lenders to participate in programs to help rural businesses and veteran-owned businesses to secure loans, loans which have been difficult for them to obtain. This bill is expected to produce over \$44 billion in lending to small businesses across the country, help create jobs and get our economy back on the path to recovery.

I ask for an "aye" vote.

□ 1415

Mr. SESSIONS. Mr. Speaker, I yield 8 minutes to a very distinguished young gentleman who is an arch supporter of not only small business but who remembers that, if we will balance the budget, the free enterprise system will grow, the gentleman from Mesa, Arizona (Mr. FLAKE).

Mr. FLAKE. I thank the gentleman. I doubt I will take 8 minutes.

Mr. Speaker, I rise in opposition to this rule. I submitted an amendment to the Rules Committee that would have prevented the Small Business Administration from engaging in the practice of making direct loans to private small businesses. I should mention that this amendment was germane. There was no problem. It wasn't out of order, and it should have been made in order here today.

The Capital Backstop Program, authorized by this legislation, would allow the SBA to make direct loans during a time of recession to small businesses that are denied loans by private lenders. In other words, the Federal Government will begin making loans using taxpayer dollars to finance small businesses that are unable to secure loans through the private sector.

Now, let's back up just a bit.

What the Small Business Administration does is it guarantees loans made by banks to businesses. In this case, if

a bank won't lend money to a business even if that money is guaranteed by the Federal Government, then we might step in and lend money directly to that business. This is something we have not done in decades with the SBA.

Ask yourself: If a bank out there won't lend money with Federal guarantees, is it the proper role of the Federal taxpayer to step in and lend money directly to that business?

Maybe we ought to step back and say, There might be a problem here with that business. If a bank won't lend them money when that loan is guaranteed, why should we be lending them money? Why should we be exposing the taxpayer here?

Government interference in the private sector is not the only cause for concern over this program. Not long ago, Congress undertook a series of studies and hearings on the government-run Reconstruction Finance Corporation, which was a relic of the Great Depression that engaged in direct lending to private entities. I will mention we haven't done this for a long time, but we did at one point lend money directly to businesses.

The Depression had long since ended, but the RFC remained intact, and there were reports of corruption. One of the studies, called the Hoover Commission, submitted a report to the Congress in 1949. It warned—and I'll read directly from the report:

Direct lending by the government to persons or enterprises opens up dangerous possibilities of waste and favoritism to individuals and enterprises. It invites political and private pressure or even corruption.

This is what they found happened when we lent money directly to businesses in this fashion. Yet here we are today, willing to ignore our own reports in Congress, willing to ignore the lessons of the past, and willing to start engaging in this practice again.

Again, this bill authorizes a program which, after a bank has passed on giving a loan to a business even after we step in and say we'll guarantee that loan, the bank says, No, we still won't do it. So we say, Okay. We'll put taxpayers on the hook.

Now, why in the world wouldn't we allow an amendment today to have an up-or-down vote on whether to strike that provision of this new authorization? Why shouldn't we decide that here in this House? Why is it so important to rush this bill through without giving the Members of this body the opportunity to stand up and say, Hey, you know, we've produced reports in this Congress; we've had commissions which report that there is a problem when we have direct lending programs like this that, maybe, we ought to consider?

No. The Rules Committee says, We don't even want you to vote on that. We don't want anything to do with it. We'll just not allow it on the floor. We'll have a structured rule, and you won't have an opportunity to vote on it.

That simply isn't right, Mr. Speaker. I'm disappointed that we won't be able to debate the merits on this.

I would ask that the Members of this body vote "no" on this rule. Go back to the Rules Committee. Allow a rule to come to the floor that allows the Members of this body to actually exercise our franchise here. When we see a program that might have a problem, let's at least have an up-or-down vote and at least be able to decide if we should be doing this or not instead of just turning a blind eye and saying that the reports that this Congress has produced in the past and that the studies of the commissions that we've appointed don't matter because we know better now.

So, Mr. Speaker, let's vote down this rule, if we can't change this bill, to prohibit the direct lending to small businesses that banks won't even lend to after we guarantee those loans. If that provision isn't removed, we ought to vote down the bill.

Ms. PINGREE of Maine. Mr. Speaker, I want to point out that the gentleman who just spoke does have one amendment in order under the rule.

I yield 2 minutes to a member of the Small Business Committee, the gentleman from Pennsylvania (Mr. ALTMIRE).

Mr. ALTMIRE. Mr. Speaker, I rise in support of the rule to consider the Small Business Financing and Investment Act.

This bill improves access to capital for small businesses, which is a vital step towards growing our economy and creating jobs. Time after time, I hear from small business owners in western Pennsylvania saying they would like to hire more employees and would like to expand their services, but they cannot acquire the loans necessary no matter how good their credit scores.

I would like to highlight a provision that I drafted that this rule makes in order as part of the manager's amendment to this bill.

My provision directs the New Market Venture Capital companies to prioritize providing financing to veteran-owned small businesses in low-income areas. The New Market Venture Capital program encourages equity investments in small businesses in low-income areas by providing tax credits, and it is just the kind of targeted program that America needs to recover from economic hardship.

This provision I added, with the support of my colleagues, gives priority to the heroes of America's Armed Forces as they apply for funding in areas that qualify for the New Market Venture Capital program in order to start new lives following their service to this country. We can never fully repay our veterans, but with this provision, we can honor them by offering new opportunities to use their strength and experience to create jobs in communities that need them the most.

I urge my colleagues to support the rule and the bill.

Mr. SESSIONS. Mr. Speaker, I would like to inform my colleague that I do not anticipate having any additional speakers at this time, and I would allow the gentlewoman to run down any time she has with the knowledge that, before she would close, I would do the same.

I reserve the balance of my time.

Ms. PINGREE of Maine. Mr. Speaker, I yield 3 minutes to the gentleman from Wisconsin (Mr. KIND).

Mr. KIND. I thank the gentlewoman from Maine for yielding me this time.

Mr. Speaker, I do rise in strong support of the rule and of the underlying bill, the Small Business Financing and Investment Act. This bill couldn't be more timely. Many of the provisions that we passed in the American Recovery Act to expand the opportunity of small business loan programs are about to expire.

I know, in my district in western Wisconsin, I haven't been on the phone more often than in the past year talking to small business owners who are struggling to get credit in order to keep their doors open. In fact, earlier this week, I was on the phone with the owner of a small manufacturing business that makes boats. He said that he has got customers lining up who are willing to make purchases of those boats, but because lines of credit are not available to them, they can't move forward and close the deals. This has a tremendous ripple effect throughout our entire economy.

I would submit to my colleagues here today that, unless we figure out a way of freeing up the capital markets so that they are more free-flowing and are more efficient, especially for small businesses and farmers, this will be a very difficult recovery to endure. That's why the Small Business Financing and Investment Act is important. We are expanding and extending the 7(a) and 504 loan programs, not to mention expanding the ARC program, as well as the Working Capital Loan Fund.

I want to just take a moment and commend the regional director of the Small Business Administration in my area, Eric Ness, with whom I've teamed up in the last 6 months to hold multiple small business forums throughout western Wisconsin, which help inform small business owners and farmers about the availability of the SBA programs, as well as the local lenders, so that they do know what's available and how it works.

Now, my good friend and colleague from the State of Texas—and he is my friend—had a few mischaracterizations that I want to clarify. As President Reagan is fond of saying, facts can be a stubborn thing. The facts are these:

When we passed the American Recovery Act, we did have accelerated depreciation and expensing for small businesses in it. We had a net operating loss carryback for small businesses so that the profits that they took in previous years could be immediately writ-

ten down over the last couple of years when they were suffering losses. This has worked to have an immediate cash infusion into those small businesses. What we're doing here today is directly beneficial to small businesses in trying to free up these capital markets that are not working well. These are proven programs that we clearly need to extend and expand upon.

I commend Chairwoman VELÁZQUEZ of the Small Business Committee, and I commend every member on that committee for the attention and the energy that they have devoted to the plight of small business owners.

In my region of the world, in my district, I know, unless small businesses have the ability to keep their doors open—to make payroll, to make investments, and to expand jobs—we're not going to see the type of job growth that is required to recover from the worst economic recession since the Great Depression.

I would encourage my colleagues to support this rule and to support the underlying bill. Show your support for small businesses, support that they need today.

Mr. SESSIONS. Mr. Speaker, over the last few months, the American people have written and called their Members of Congress. They've attended town hall meetings. They've been in the media, on the news, in the newspapers, and they have asked that all Members of Congress read their bills before they vote on them. The American people are outraged.

That's why, today, we will be asking for a "no" vote on the previous question, because we believe that this process is closed and not open to amendments that would need to be done, which the American people are asking for, including small businesses. We can see what's getting ready to happen next week when we handle the health care bill. So I will be asking for a "no" vote on the previous question so we can amend the rule and can allow the House to consider an open bill for H. Res. 544, a bipartisan bill by my colleagues Representatives BAIRD and CULBERSON. They have gathered together to make sure that all of the bills of interest would be allowed to be read for 72 hours.

I also ask unanimous consent to insert in the RECORD an amendment and extraneous materials prior to the vote on the previous question.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. SESSIONS. I yield back the balance of my time.

Ms. PINGREE of Maine. Mr. Speaker, I want to again highlight what we are considering here today.

This is a bill that will support small businesses when they need it most—access to the financing they need to survive, to grow, to expand, and to create the jobs that will drive our economy. I know this is essential as I have heard

from businesses throughout the 125 towns in my congressional district.

In fact, I have owned small businesses for most of my adult life. For many years, I owned a business that sold our products around the country and grew to employ 10 people in a town with just 350 residents. I currently own an inn and a restaurant that uses produce grown in my community and seafood caught locally. I know what it is to be the last person to lock the doors at the end of the day, to meet a payroll, and to argue with the bank about borrowing money to expand.

Mr. Speaker, I have been lucky to own a small business which has been an important part of my community and which has provided jobs, but I never would have been able to survive without access to the investment the business has needed to grow.

When facing the economic climate that we currently do, it is vital that we do everything in our power to support the small businesses that create 64 percent of the new jobs in this country, that comprise more than 99 percent of all employer companies, and that are the backbone of the communities that we live in.

This bill is an important step in supporting those small businesses—with \$44 billion in lending that will help save or create 1.3 million jobs each year and by ensuring that small businesses have the necessary capital to stay in business and to expand as the economy recovers. This bill is more than simply an investment in small business; it is an investment in American job growth.

I urge a "yes" vote on the previous question and on the rule.

The material previously referred to by Mr. SESSIONS is as follows:

AMENDMENT TO H. RES. 875 OFFERED BY MR. SESSIONS

At the end of the resolution, insert the following new section:

Sec. 4. On the third legislative day after the adoption of this resolution, immediately after the third daily order of business under clause 1 of rule XIV and without intervention of any point of order, the House shall proceed to the consideration of the resolution (H. Res. 554) amending the Rules of the House of Representatives to require that legislation and conference reports be available on the Internet for 72 hours before consideration by the House, and for other purposes. The resolution shall be considered as read. The previous question shall be considered as ordered on the resolution and any amendment thereto to final adoption without intervening motion or demand for division of the question except: (1) one hour of debate equally divided and controlled by the chair and ranking minority member of the Committee on Rules; (2) an amendment, if offered by the Minority Leader or his designee and if printed in that portion of the Congressional Record designated for that purpose in clause 8 of rule XVIII at least one legislative day prior to its consideration, which shall be in order without intervention of any point of order or demand for division of the question, shall be considered as read and shall be separately debatable for twenty minutes equally divided and controlled by the proponent and an opponent; and (3) one motion to recommit

which shall not contain instructions. Clause 1(c) of rule XIX shall not apply to the consideration of House Resolution 554.

(The information contained herein was provided by Democratic Minority on multiple occasions throughout the 109th Congress.)

THE VOTE ON THE PREVIOUS QUESTION: WHAT IT REALLY MEANS

This vote, the vote on whether to order the previous question on a special rule, is not merely a procedural vote. A vote against ordering the previous question is a vote against the Democratic majority agenda and a vote to allow the opposition, at least for the moment, to offer an alternative plan. It is a vote about what the House should be debating.

Mr. Clarence Cannon's *Precedents of the House of Representatives*, (VI, 308-311) describes the vote on the previous question on the rule as "a motion to direct or control the consideration of the subject before the House being made by the Member in charge." To defeat the previous question is to give the opposition a chance to decide the subject before the House. Cannon cites the Speaker's ruling of January 13, 1920, to the effect that "the refusal of the House to sustain the demand for the previous question passes the control of the resolution to the opposition" in order to offer an amendment. On March 15, 1909, a member of the majority party offered a rule resolution. The House defeated the previous question and a member of the opposition rose to a parliamentary inquiry, asking who was entitled to recognition. Speaker Joseph G. Cannon (R-Illinois) said: "The previous question having been refused, the gentleman from New York, Mr. Fitzgerald, who had asked the gentleman to yield to him for an amendment, is entitled to the first recognition."

Because the vote today may look bad for the Democratic majority they will say "the vote on the previous question is simply a vote on whether to proceed to an immediate vote on adopting the resolution . . . [and] has no substantive legislative or policy implications whatsoever." But that is not what they have always said. Listen to the definition of the previous question used in the *Floor Procedures Manual* published by the Rules Committee in the 109th Congress, (page 56). Here's how the Rules Committee described the rule using information from *Congressional Quarterly's "American Congressional Dictionary"*: "If the previous question is defeated, control of debate shifts to the leading opposition member (usually the minority Floor Manager) who then manages an hour of debate and may offer a germane amendment to the pending business."

Deschler's Procedure in the U.S. House of Representatives, the subchapter titled "Amending Special Rules" states: "a refusal to order the previous question on such a rule [a special rule reported from the Committee on Rules] opens the resolution to amendment and further debate." (Chapter 21, section 21.2) Section 21.3 continues: Upon rejection of the motion for the previous question on a resolution reported from the Committee on Rules, control shifts to the Member leading the opposition to the previous question, who may offer a proper amendment or motion and who controls the time for debate thereon."

Clearly, the vote on the previous question on a rule does have substantive policy implications. It is one of the only available tools for those who oppose the Democratic majority's agenda and allows those with alternative views the opportunity to offer an alternative plan.

Ms. PINGREE of Maine. I yield back the balance of my time and move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

□ 1430

GENERAL LEAVE

Ms. VELÁZQUEZ. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks and include extraneous material on the H.R. 3854.

The SPEAKER pro tempore (Mr. KIND). Is there objection to the request of the gentlewoman from New York?

There was no objection.

SMALL BUSINESS FINANCING AND INVESTMENT ACT OF 2009

The SPEAKER pro tempore. Pursuant to House Resolution 875 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 3854.

□ 1431

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 3854) to amend the Small Business Act and the Small Business Investment Act of 1958 to improve programs providing access to capital under such Acts, and for other purposes, with Mr. SERRANO in the chair.

The Clerk read the title of the bill.

The CHAIR. Pursuant to the rule, the bill is considered read the first time.

The gentlewoman from New York (Ms. VELÁZQUEZ) and the gentleman from Missouri (Mr. GRAVES) each will control 30 minutes.

The Chair recognizes the gentlewoman from New York.

Ms. VELÁZQUEZ. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in support of this bill, which will enhance the SBA's capital access programs. This bill is a bipartisan product. It has the support of 48 stakeholder groups and could not have come together without the contributions of eight different committee members, including two from the minority. It addresses a key concern for small firms and ensures they have the resources to help grow our economy.

If history is any guide, small businesses will be the key to our recovery. Since our Nation's founding, they have helped us bounce back from countless downturns, including the recession of the mid-1990s. At that time, start-up businesses generated 3.8 million new jobs. And ultimately, Mr. Chairman, that is what our recovery efforts are all about, putting Americans back to work.

Through innovation and ingenuity, small businesses have created enormous wealth for our Nation. But America's economic engine doesn't run on good ideas alone. Small firms need capital to not only get off the ground, but to operate and grow. That is why H.R.

3854 delivers better funding options to small firms at every stage of development.

For the aspiring entrepreneur, it opens new avenues for seed capital and microloans. For the mid-market venture, it provides fresh funds for investment. And for the established business, it creates room for targeted risk and innovation. And it could not have come at a more critical time.

Small business lending is declining at alarming rates. In July, a survey by the Federal Reserve found that 35 percent of banks have tightened lending to small businesses. In terms of credit cards, a popular source of funding for entrepreneurs, 79 percent have seen their lines cut radically. These are exceptional declines. And if we fail to address them, we risk losing more than our most innovative businesses. We risk losing hundreds of thousands of jobs.

Small businesses with tight profit margins do not have the luxury of simply tightening the belt. When money is short, they are often forced to lay off workers. But with unemployment at 9.8 percent, we just cannot afford more losses. That is why this bill delivers critical capital to new ventures.

To begin, it helps steer equity investment to start-ups in high-growth fields like IT and clean energy. It also enhances SBA's microloan program. Two weeks ago, my committee heard from an entrepreneur who used microloans to grow his business from a fledgling firm to a thriving enterprise with 30 employees. By improving the microloan program, imagine how many more new businesses, and new jobs, we can generate.

Ask any small business owner, and they will tell you that start-ups are not the only firms that need capital. Established ventures in fields like manufacturing, for example, need funding to adapt to the changing marketplace. By improving the 504 program, this bill gives them the flexibility to purchase new equipment and otherwise retool operations. When paired with new initiatives like the New Markets Venture Capital and Renewable Energy Capital Investment programs, these efforts will help manufacturers emerge from the downturn stronger and better poised to create new jobs.

Meanwhile, we are also delivering important lending options to our Nation's veterans, offering reduced borrower fees and increased loan guarantees. As our servicemen and -women return home from deployment abroad, we need to be sure they have access to the economic opportunities that entrepreneurship offers.

Mr. Chairman, this bill is about choices. It is about better options for the small businesses that didn't get a bailout. H.R. 3854 provides critical funding to small firms in every industry and, most importantly, generates